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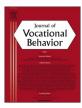
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Contents lists available at ScienceDirect

Journal of Vocational Behavior

journal homepage: www.elsevier.com/locate/jvb



Editorial

The potential impact of the Covid-19 pandemic on occupational status, work from home, and occupational mobility



ABSTRACT

The economic and social shock presented by the Covid-19 pandemic is likely to reshape perceptions of individuals and organizations about work and occupations and result in both micro and macro shifts in the world of work. In this essay we focus on three occupationally-related domains that may be impacted by the pandemic. First, perceptions of the value and status of different occupations may change, resulting in both changes of occupational supply and demand (macro changes) and changes in the perceived calling and meaningfulness of different occupations (micro changes). Second, the great "work from home experiment" may change occupational perspectives on working from home. Organizations and researchers may be able to better understand which occupational and individual characteristics are associated with work-from-home effectiveness and better designate occupational groups and individuals to working (or not working) from home. Third, we discuss the increased segmentation of the labor market which allocate workers to "good jobs" and "bad jobs" and the contribution of occupational segmentation to inequality.

Economic shocks have a profound impact on the way people live and work, organizations operate, and industries and societies conduct themselves. Previous economic shocks tended to cover a narrow group of workers, occupations, or industries. For example, the 2000 dot.com bubble burst had a significant negative impact on science, technology, engineering and math (STEM) occupations but a minor negative impact on occupations in other sectors of the economy. The impact of the Covid-19 pandemic, however, is widespread and may result in not only the temporal disappearance of some occupations and a dramatic growth in other occupations, but also in changes in the status of some occupations and their value proposition. In this essay we focus on the implications of the pandemic for (a) the values embedded in occupations and the status associated with occupations and the association this might have with new occupational perceptions of meaningful work and calling; (b) the manner in which organizations perceive work from home arrangements within a given occupational group and between different occupations; and, (c) change in occupational segmentation and its relationship to gender, racial, and ethnic inequality.

1. Occupational status, meaningful work, and calling

Occupations have different statuses associated with them. An occupational status, a key measure of socioeconomic status, is traditionally defined as the power privilege, and prestige that are associated with a specific occupation (Lin, Ensel, & Vaughn, 1981). A broader definition of occupational status also includes the level institutional social recognition an occupation receives (Zhou, 2005). As such, occupational status can be affected by societal changes and more specifically, by changes in what is being perceived by society and individuals as "more important work" versus "less important work". Occupational status is important because occupations with higher status tend to attract more employees, even when the monetary rewards they offer are not high (e.g., teachers, Ashiedu & Scott-Ladd, 2012). While in many cases occupations with higher status are those that require higher education, institutional social recognition entails that the status of an occupation is also associated with serving desired societal values (Zhou, 2005). For example, Nam and Boyd's (2004) occupational status scale gives an identical occupational status score to police officers and archivists even though the educational demands for archivists are considerably higher (a bachelor's degree). In turn, an archivist's median salary in 2018 was \$48,400 while a police officer median salary was \$63,380 (BLS, 2020a, 2020b). While many other factors might affect the status of an occupation and the median compensation, for example, occupational gender composition (e.g., Macpherson & Hirsch, 1995) and supply and demand of workers (e.g., Katz & Murphy, 1992), this example clearly demonstrates the association between the social recognition an occupation receives and the status of the occupation.

Will the Covid-19 pandemic result in an increased occupational status of some occupations and negatively affect the occupational status of other occupations? This is a complex question because macro and micro forces may be in play when changes in the status of

https://doi.org/10.1016/j.jvb.2020.103442

occupations occur. For example, positive changes in the long term demand for some occupations (e.g., health care) are likely to increase their status and the rewards they offer. At the same time, the institutional social recognition and individuals' perception of these occupations may also be more positive, changing the status of these occupations, resulting in greater attraction (supply) of individuals to these occupations. This question is important not just because occupational status affects attraction into some occupations and the pay different occupations offer, but also because occupational status is related to the meaningful work and calling individuals perceive different occupations to have. Specifically, changes in the status of different occupations can alter individuals' perceptions regarding the three dimensions meaningful work: positive meaning of work, meaning making through work, and the greater good motivations associated with work (Steger, Dik, & Duffy, 2012). These notions open up possibilities for future scholarly work. For example, how are individual perceptions of meaningful work and calling in certain occupations influenced by the Covid-19 pandemic? Will organizations change the monetary rewards, benefits, and symbolic recognition they offer to some occupational groups? Will the labor market experience a shift in the supply of labor in some occupations?

2. Occupational perspective on working from home

One of the most observable changes which occurred as a result of the Covid-19 pandemic has been the shift of many employees to work from home arrangements across occupations. Individuals from some occupational groups that had very little experience with working from home were shifted to such arrangements (e.g., teachers in primary education) while individuals across occupation who preferred not to work from home, were now forced into such working arrangements. At the same time, some individuals in certain occupations experienced a less forceful change. Certain occupational groups have a significant experience with work from home arrangements (e.g., translators) and individuals across occupational groups had already have a significant experience working from home

The Covid-19 pandemic presents researchers and practitioners with a massive (unplanned) experiment. The broad shift to working from home may enable researchers to address two important questions. First, are there some occupational groups who resisted to a broad-based working from home occupational structure in the past and now found themselves as productive as they were when working on-location? Stated differently, are there some occupational groups who were underutilized in the past (in terms of productivity while working from home) and are actually well-suited to working from home? Such occupational resistance to working from home might be a result of traditionalism, lack of trust, the gender and generational composition of the occupational group, as well as a lack of interest and desire, at the occupational level, to invest in the infrastructure required to work from home. However, once working from home became a necessity, will some occupational groups find it to be better than they have expected?

A second important question concerns the interaction between the worker and type of occupation. Specifically, are some individuals, in some occupations, better suited to work from home? Given a specific occupational group, what determines the distribution of productivity within an occupational group? Answers to these questions can have a profound impact in identifying which different occupational groups will structure their work arrangements. For some occupations, it may be that the nature of the work itself determines the level of productivity workers are able to achieve from home. In essence, individual preferences, personality, and behaviors will have little impact on their level of productivity when working from home – occupational characteristics will trump individual characteristics and preferences. For other occupations, the opposite might be true. Individuals within a given occupation will show a significant variation in their productivity when performing very similar tasks. In other words, within a given occupation individual preferences, personality, and behaviors will have a significant impact on workers' level of productivity – individual characteristics and preferences will trump the occupational characteristics.

The interplay of occupational and individual characteristics has important research and practical implications. When individual characteristics trump occupational characteristics, moving to work from home arrangements may require selection of workers who are better suited to work from home, training of such workers on more efficient methods of remote work, and greater monitoring of the quality and productivity of those assigned to work from home. However, when occupational characteristics trump individual characteristics, moving to work from home arrangements may depend on the average level of productivity at home versus work and will not require much selection, training, and monitoring if deciding to allow employees to work from home.

3. Good jobs, bad jobs, and occupational segmentation

Occupational mobility and growth has been closely tied to economic shocks. Economic shocks can be defined as a relatively sudden change and unpredictable changes in the economy that can affect all aspects of the economic system including labor market, specific sectors of the economy and occupational groups and can lead to positive and negative changes in the labor market (Bennett, 2015) as well as to the growth or decline of different occupational groups. The source of occupational shocks can vary and originate from a technological change (Nelson & Irwin, 2014), changes in the legal environment and their effect on workforce demographics (England, Allison, & Wu, 2007) and from other sources. For example, trade agreements have been shown to create occupational shocks in the economy that result in lower wages and lower demand for some occupations (Artuç, Chaudhuri, & McLaren, 2010; Autor, Dorn, Hanson, & Song, 2014). Further, studies have consistently shown that such shocks are more likely to hurt low-wage and low-skilled workers who are unable to recover their pre-shock employment conditions and are less likely to hurt high-wage and skill workers that are better able to move between employers, occupations, and industries (Artuç & McLaren, 2015; Autor et al., 2014).

The current pandemic, while affecting almost all occupational groups, had the most negative impact on low-wage and low-skill employees. These employees are very limited in their ability to work away from the physical location of their work, are more likely to be hourly workers, and are concentrated in occupations that suffer from high turnover and poor working conditions (Berube &

Bateman, 2020). For example, the five industries that are most affected by the decline in economic activity are all notorious for low pay and benefits. This includes the Food and Drink Service with 9.77 million employees, General Merchandise Stores with 2.84 million employees, Personal and Laundry Services with 2.60 million employees, Amusement, Gambling, and Recreation with 2.20 million employees, and Motor Vehicle and Parts Dealers with 2.01 million employees (Berube & Bateman, 2020). At the same time, many employees who are able to work from home are those who rely on technology and are likely to be better paid and with greater occupational skills.

Past research has discussed the occupational divide between "good jobs" and "bad jobs" and the importance of occupations in determining the quality of jobs (Kalleberg, 2011; Kalleberg, Reskin, & Hudson, 2000). We believe that the current pandemic is likely to make the divide between good and bad jobs even wider. Organizational investment in employees who are concentrated in high skilled occupations is likely to increase because these employees allow organizations to maintain productivity even in extreme working conditions such as those presented by the Covid-19 pandemic. In contrast, organizational investment in employees who are concentrated in low skilled occupations is likely to decrease because their productivity is dependent on a work environment that may be continuously threatened in the future. Further, employees in "good jobs" and better occupations are more likely to be able to move between jobs and recover faster from an economic recession than employees in "bad jobs" and low skill occupations.

The ability to move between jobs more efficiently and recover from economic shocks more rapidly exacerbate the segmentation of the labor market. In different words, it is possible that the segmentation of labor markets between good jobs and bad jobs, core and periphery jobs, and primary and secondary jobs (Kalleberg, 2003, 2011; Kalleberg et al., 2000) will be further exacerbated to include a segmentation by occupational groups. This occupational divide has been shown in the past to also be related to gender and racial inequality (Kalleberg, 2011). Therefore, it is not surprising that women, blacks, and Hispanics are represented at a higher proportion in industries and occupations that are more vulnerable to the pandemic (Berube & Bateman, 2020). To this end, the current pandemic can result in an increased gender, racial, and ethnic inequality.

4. Conclusion

This essay attempts to raise key occupational-related social concerns that arise from the Covid-19 pandemic and research avenues that may be pursued to better understand the impact this pandemic may have on workers and organizations. We have identified three key areas of research inquiry: a) changes in occupational status and their relationship to meaningful work and calling; b) how the work home arrangement might change organizational attitudes toward which occupational groups and individuals are better suited to work from home; and, c) how occupations may be further segmented into core and periphery. We conclude that overall, while some occupational groups might benefit from the pandemic, its overall impact will increase and broaden income, gender, racial, and ethnic inequality.

Acknowledgements

We thank Simon Restubog for his helpful comments on an earlier draft of this paper.

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Amit Kramer^{a,*}, Karen Z. Kramer^b

^a School of Labor and Employment Relations, University of Illinois, United States of America
^b Human Development and Family Studies, School of Labor and Employment Relations, University of Illinois, United States of America
E-mail addresses: kram@illinois.edu (A. Kramer), kramr@illinois.edu (K.Z. Kramer).

^{*} Corresponding author.